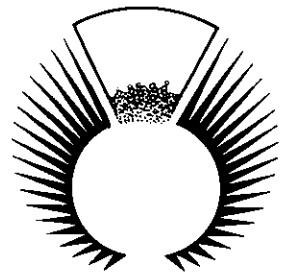

THE ARKLETON TRUST

DISADVANTAGED RURAL EUROPE
development issues and approaches

Report of a seminar held in Scotland from 2 - 9 June 1979

T H E A R K L E T O N T R U S T

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PREFACE

This report is based on the discussions of a seminar held by the Arkleton Trust at its Seminar Centre in Langholm, Dumfriesshire, Scotland from 2 - 9 June 1979. The title of the seminar was'The Developing World of Europe'.

The purpose of the seminar was to examine the situation of the less advantaged rural areas of western Europe and to consider what approaches should be taken in the future to assist their development. It is hoped that this report will focus attention on some of the major issues which now face agricultural and rural planners in Europe in adjusting their work to a rapidly changing social and economic situation. This report is not, however, only directed to planners but also to national decision makers, the elected representatives of rural and urban people, and to all those who are concerned about the future of the rural environment.

During the course of the seminar, the Arkleton Lecture was given by Professor Ian Cunningham, CBE, Director of the Hill Farming Research Organisation. His title was 'The Agricultural Potential of Marginal Areas'. Copies of the lecture are available from the Trust.

The Arkleton Trust wishes to acknowledge the assistance of the following in providing funds for both the holding of the seminar and the publication of this report which is available in English and French: The Commission of the European Communities, the Ernest Cook Trust, the Edward Cadbury Trust and the Walter Higgs Charitable Trust.

The participants in the seminar are listed below. They represented between them a number of national and international agencies in the agricultural, educational and planning fields, but attended the seminar in their individual capacities.

Roger Savary Chairman	(France) Hon. Secretary-General International Federation of Agricultural Producers, Paris
John Bryden Vice-Chairman	(United Kingdom) Head of Land Development Division, Highlands and Islands Development Board

Guiseppe Barbero	(Italy) High Commissioner, National Institute for Agricultural Economics, Rome
Denis Bergmann	(France) National Institute for Research in Agriculture, Paris
Miguel Bueno	(Spain) National Institute for Agrarian Reform and Development, Madrid
Giuliano Cesarini	(Italy) Director, Division for Inland Development, Cassa per il Mezzogiorno, Rome
Patrick Collins	(Ireland) Senior Inspector, Department of Agriculture, Dublin
Willem Esser	(EEC) Directorate-General for Agriculture, Commission of the European Communities, Brussels
Ermond Hartmans	(FAO) Director, Agricultural Operations Division, Food and Agriculture Organization of the United Nations, Rome
Gwyn Jones	(United Kingdom) Lecturer in Rural Sociology, Agricultural Extension and Rural Development Centre, Reading
Duncan Kirkpatrick	(United Kingdom) Her Majesty's Inspector of Schools, Scottish Education Department, Glasgow
Athanosios Kokkonis	(Greece) Director of Structural Change and Environment, Ministry of Agriculture, Athens
Vikar Säfvested	(Sweden) Director of Agriculture, County Board of Agriculture, Jönköping
Manuela Silva	(Portugal) Lecturer in Economic Policy, Higher Institute of Economics, Lisbon

Deborah Edlmann	Secretariat, Arkleton Trust
John Higgs	" " "
David Moore	" " "

This report has been prepared by David Moore in consultation with seminar participants. It first of all identifies the issues which characterize the disadvantaged regions of Europe and considers these in the context of primary production and overall rural develoment. Secondly, the report makes a diagnosis of the major problems underlying development in disadvantaged areas particularly in relation to greater integration within the national economy and the political choices available. Finally it outlines possible policies and approaches for disadvantaged areas with particular reference to the principles for action in relation to the rural economy, education and the institutional framework.

SUMMARY OF CONCLUSIONS

I THE ISSUES

i Disadvantaged Rural Europe (p.1)

Socially and economically the poorer rural areas have fallen behind the rest of Europe and will continue to do so unless measures are taken to resolve their problems.

Identification (p.2)

Disadvantaged rural areas (DRAs) are found mainly on the geographical periphery of Europe; they are usually isolated, lack natural resources and suffer climatic extremes. All governments and the EEC have established largely agricultural criteria by which to identify areas qualifying for assistance.

Disadvantage and diversity (p.3)

Across-the-board policies which do not take into account the relative nature of disadvantage and the diversity of DRAs can rarely meet the specific needs of individual areas.

Characteristics (p.4)

The principle characteristic of DRAs is progressive social and economic decline. Populations tend to be relatively old and unproductive and to have low incomes; a high degree of self-provisioning is not uncommon. People feel isolated and often alienated from government. Low levels of self-confidence and lack of participation in decision-making are common.

The European context (p.6)

European integration and the probable enlargement of the EEC sharpen the issue of rural

disadvantage. Greece, Portugal and Spain, as well as southern Italy, have become dependent on the economic fortunes of northern European regions; the ending of mass migration from south to north threatens the economies of the southern countries.

ii Primary Production

Role of agriculture (p.7)

Agriculture employs some 8m people in the present EEC and is an integral part of Europe's consumer economy. It is the dominant form of land use and plays a crucial role in determining the ecological balance. Farmers in the DRAs have a special responsibility for the maintenance of rural employment opportunities as well as of the environment.

Forestry and fishing (p.8)

Although providing fewer jobs than agriculture, forestry and fishing remain important components of the rural economy. Large scale forestry is, to a degree, in competition with agricuulture and, at least in its modern organisational forms, provides less local employment. In future forest development there should be more integration with farming.

The farm business (p.10)

Farmers in DRAs invariably face greater risks than those in more advantaged areas, and are often more exposed to fluctuations in commodity prices. Although farming in DRAs is a highly skilled occupation the majority of farmers have received no formal training. Many DRA farmers have taken other jobs to supplement their incomes. Efforts to promote group production in agriculture have been limited.

the northern countries is no longer feasible for the southern countries, even if it were desirable. Most regions do have specific development potential, with primary production playing a key role in expanding the output of marketable goods. To achieve this a flexible approach is required and major external constraints will have to be removed.

i Integration (p.17)

The various roles of agriculture will have to be seen as integral aspects of the broader rural, national and international economy. Comprehensive and integrated planning which fully involves local populations will be essential.

ii Political Choices (p.18)

Alternative thinking about labour and land use and the possibilities for small scale self-help action must be matched by increased investment in DRAs. Greater government intervention in land use is likely to be necessary. Agricultural research will need to be more appropriate to the situation of DRAs. Education and training systems will have to adjust their structure and content so as to assist people to find solutions to local problems.

III POLICIES AND APPROACHES

i Principles for Action (p.20)

Action in favour of DRAs must tackle the causes as well as the symptoms of disadvantage. Permanent changes in the income earning potential and social cohesion of DRAs is required. Certain support measures will be necessary, not least because of market distortions or increased costs imposed on DRAs by other areas. A rural development strategy is needed which must be approached on a multi-sectoral basis and educational provision must correspond to local circumstances as well as to national value systems.

ii The Rural Economy (p.22)

People in DRAs are often not able to respond to new opportunities through lack of capital or experience. It will be essential to base initiatives on local human and physical resources and secure local capital formation and control. Such new rural economic activities are likely to be relatively limited in scale, to be reasonably labour intensive and to provide a high level of added value which can be retained locally.

Economic activities (p.23)

In most DRAs there is the potential for increased agricultural production. In some areas new crops could be grown if marketing and other facilities could be guaranteed. Farming in most areas has to be viewed in relation to other potential economic activities such as 'democratic' tourism, crafts and small scale industries. Subsidised public services may have to be maintained to encourage such new activities.

Economic structures (p.24)

Group and cooperative productive activities are extremely important as a means of retaining employment opportunities and resolving community problems. Numerous examples of such action exist but are little known. Even though group action is not a universal solution it can be important in achieving economies of scale and the integration of human and material resources. Part-time farming is already an important phenomenon in Europe and should be actively encouraged and assisted.

iii Education (p.26)

Educational systems serve urban and rural society. The structure, content and methodology of education must change if it is to serve the needs of the community effectively. Future decision makers require a greater awareness of rural issues in relation to

society as a whole. New skills and attitudes must be developed in the DRAs. Present trends in educational development may, coincidentally, make systems more relevant to the needs of DRAs.

Formal education (p.27)

The belief that uniformity in educational systems is a means of achieving equity and that local environments are unsuitable as a medium for learning should be questioned. Experiments in community education have begun to demonstrate the validity of new approaches. Those who will work as educators in rural areas need special training and in-service support.

Information, advisory and specialist services (p.28)

Advisory services have a key role in DRAs in a multi-sectoral task orientated approach. Voluntary bodies can and do also play an important role.

The mass media (p.29)

Important as the media may be in education for rural development, they do not replace face-to-face discussion and learning.

iv Institutions (p.29)

Most institutions have been designed to meet the needs of the majority and are invariably urban based and orientated. Many rural areas tend to have institutions dominated by unrepresentative minorities. The farm lobby is disproportionately powerful but tends to represent the more advantaged and better off farmers. Sectoralisation of institutions makes them poorly suited to serve the needs of DRAs.

Institutions for change (p.31)

Horizontal linkages between vertically structured institutions are required if they are to serve the DRAs - such linkages can be provided by community based organisations.

Intermediate institutions (p.31)

Specialised development institutions serve an important purpose where they exist, but are not a pre-requisite for rural development.

v Postscript (p.32)

DRAs occupy half the total surface area of Europe even though the population is small. Government interventions have mainly been aimed at survival and the full potential both of the areas and the people have hardly yet been recognised.

I THE ISSUES

i Disadvantaged Rural Europe

Many people living in the rural areas of the South of Italy, the Highlands of Scotland, the West of Ireland or the interior of Portugal have lower incomes, fewer job opportunities and poorer social services than those in cities and in well-endowed agricultural areas.

By almost any standards the poorer rural areas have fallen further and further behind; young people have left and traditional industries have collapsed. Their economic viability, at no time very great, has become fragile risking complete social and economic disintegration. There is every likelihood that they will continue to decline unless immediate constructive measures are taken to meet the aspirations of the rural population for equity with the more favoured areas in job opportunites and social services.

For too long, the time and resources devoted to the specific social and economic problems of many rural areas have been inadequate and often inappropriate. Most governments have recognised the need to subsidise public services in rural areas and to achieve parity of incomes between rural workers and those in industrial occupations. To achieve the latter, structural reform measures have been promoted to encourage enlargement of agricultural holdings and to boost labour productivity and incomes through increased investment in modern technological developments. This has been done in the belief that redundant rural labour could be absorbed by consistent growth in the manufacturing and service sectors of the economy. The inadequacy of this approach has been highlighted by the general economic recession and energy crisis of the 1970's; it has also had far less impact in the disadvantaged rural areas (DRAs).

The economic climate of the 1980's may give new significance to the DRAs. Most of their economic activties tend to be relatively labour intensive and could be assisted to become more labour retaining, helping to decrease the movement of people to industrial areas. Many of these activities also have relatively low energy requirements, and DRA commodities such as red meat and solitude are in increasing demand.

The ever-increasing flow of scientific and technological advances is of little significance to a rural population living at or below subsistence level. Quick radical solutions to complex human, social, technical and economic

problems in such areas cannot be expected, but they can be greatly accelerated by the adoption of appropriate financial, administrative and educational systems.

Identification

Disadvantaged rural areas in western Europe are to be found mainly on the geographical periphery. They are usually mountainous or isolated, making communications difficult and expensive. They lack natural resources or experience climatic extremes which hinder economic activity. A higher proportion of their active population than in the more favoured rural areas is engaged in primary production.

All western European governments have established criteria to identify geographical areas or regions qualifying for supplementary assistance of one form or another. The criteria used vary considerably between countries, as may be expected.

Swedish agricultural policy is principally directed towards the enlargement of farms and an overall reduction in crop acreage and farm labour, but rural communities which earn the major part of their income from agriculture or forestry and whose populations are declining are recognised as a national asset whose survival should be safeguarded. Whenever possible, the aim is to stabilise or enlarge their population by creating new jobs. In larger, less homogeneous and more densely populated countries, such as France or the UK, the task of identifying areas qualifying for assistance is more complex.

At European community level, the designation of such areas depends as much on political and administrative factors as on more quantifiable criteria. The EEC Directive on Less Favoured Areas seeks to identify DRAs principally, though not entirely, from an agricultural point of view, and to establish policies to assist them. Income parity is an underlying aim.

The Directive identifies handicaps to agricultural productivity; to a much lesser extent it attempts to quantify aspects of social and economic decline. Large geographical areas have thus been classified as being 'less favoured' and individual farmers qualify for supplementary assistance no matter what their financial position may be or the number of farms which they own.

Although EEC policy is necessarily uniform for the Community as a whole, member governments are responsible for applying it in ways which are relevant to local problems, just as they were for identifying boundaries of their Less Favoured Areas in the first place.

Disadvantage and diversity

The concept of "disadvantage" is highly subjective and entirely relative. Social and economic systems are in a continuous process of evolution over time and respond both to internal and external factors. There are many places which once were considerably advantaged economically due to the presence of an industry such as textiles, mining or in-shore fishing, but which today are greatly disadvantaged compared with certain other areas, at any given moment of time. Beyond this, the circumstances of DRAs are extremely diverse, with considerable differences between countries and even between individual communities in the same region.

The Highlands of Scotland and the interior areas of southern Italy differ markedly, even though they both suffer from difficult mountainous terrain, low agricultural potential and a limited resource base. Whereas the Highlands have a low population density, and a short growing season, southern Italy has a relatively high population density (despite a century of outmigration) relative to available cultivatable land. Scotland enjoys legendary high and persistent rainfall. Southern Italy experiences four or more months of drought each year.

Statistics (Table I) indicate that one in ten of the people of the Highlands and Islands of Scotland works in agriculture, although in practice the presence of small scale and often part-time farming means that probably one in five receive part of their income from agricultural activities. (1) Official figures indicate that one in five of southern Italians and a quarter of Greeks and Portuguesework in agriculture, although the numbers significantly dependent on it for their livelihood must be considerably higher.

Farm size varies enormously between European countries as well as within individual countries (Table II). Of the 800,000 Portuguesefarms, some three-quarters are smaller than four hectares, occupy only some 15% of agricultural land and are concentrated in certain regions,

especially in the north and east. More than a quarter of French farms are smaller than five hectares and are concentrated in the poorer southern and western regions. They only occupy 2% of the total agricultural area however, and a large number of them are part-time or retirement farms and constitute no great economic problem whilst many, particularly in southern France, are quite intensive and may provide reasonable family incomes. This situation is in marked contrast with Greece. While the average size of farms is four hectares, they are almost universally small with only 1% larger than 20ha.

Land fragmentation, as a result of inheritance laws and social custom,compounds the widespread problem of small farm size. The average Spanish farm is divided into some 11 pieces and as high as 26 in Duoro region. Lower, but still significant levels of fragmentation are found in Italy, Greece and Portugal, and are most common in the poorer regions.

There are wide differences between areas within the same region. For example, in the Highlands and Islands of Scotland a clear distinction must be made between the advantages of the central and eastern areas relative to the much poorer agricultural areas of the west and north. The differences are not simply ones of climate and agricultural potential, but also of land tenure patterns, with a very specialized form of tenure called crofting (2) predominating in the north and west. Similarly in southern Italy a clear distinction needs to be drawn between the relatively favoured irrigated coastal plains and the arid mountainous areas of the interior. Paralleling, and often lying at the root of land tenure and local economic systems, are profound cultural differences of historic origin within many areas.

This diversity means that 'across-the-board' policies can rarely meet the specific needs of individual areas. Often the information on which policies are based is too generalised, or taken from too broad a data base, to allow administrators to respond to local conditions.

Characteristics

The principal characteristic of DRAs is progressive social and economic decline. Depopulation, one of the most visible symptoms, parallels the decline in labour requirements in primary production, especially in

agriculture. The universal decrease in the number of people engaged in agriculture has, however, been less marked in the DRAs than elsewhere. The 1979 Arkleton lecturer pointed out that many upland farmers in Britain tend to have "their own 'viability concept', which may be different from that of the theoretical agricultural economist and sociologist". (3) In other words, although farm modernisation policies have actively encouraged non-viable or older farmers to retire from farming, many in the poorer areas have not done so, living on in a traditional way for extremely low returns. Recent evidence suggests however, that the introduction of modern technology does not necessarily have to lead to a continuing decline in the agricultural labour force. (4)

Lack of natural resources and exposure to climatic extremes contribute to the narrow economic base of DRAs; in extreme situations as in the interior of southern Italy, agriculture is virtually the only economic activity. Outmigration has led to severely unbalanced social structures in many areas, with an ageing and less productive population. Socially and economically these areas are fragile , with low family incomes and a high degree of self-provisioning.

At the same time, many of the disadvantaged areas, such as parts of the Mediterranean, Scotland and western Ireland, are a long way from urban and industrial centres. People are not only physically but also psychologically isolated. Feelings of alienation from government and administrative organisations are often acute, and expressions of hopelessness not uncommon.

Relatively limited access to information, and weak organisation, mean that rural people are at a disadvantage when it comes to taking informed decisions about matters of concern to their own future. Such disadvantages are usually greatest in the DRAs.

Some areas are also fragile ecologically and, partly because of their isolation and low population densities, are extremely important from a conservation point of view. Over-grazing and abandonment of upland areas, especially in part of continental Europe, threaten dereliction which may have serious ecological consequences. Urban pressure for leisure access to the countryside also threatens the ecological stability of many areas.

The European context

The integration process of the EEC and the possible enlargement of the Community to include Greece, Portugal and Spain, add a new dimension to the issues of rural disadvantage. The pronounced differences between regions in individual countries become far less significant when compared with differences between the richer, northern countries and southern Mediterranean areas.

The Mediterranean countries employ a larger proportion of their population in agriculture, they have much lower per capita incomes and less well-developed manufacturing and service sectors. The three potential entrants to the EEC have been characterised by the European Commission as having economies at a stage of development midway between the developing and the industrialised countries.

Up to 1970 it seemed that it was mutually beneficial to allow large scale migration to remove 'surplus' labour from these southern rural regions. Between 1950 and 1970 some six million people moved from the central provinces and the frontier region with Portugal to the four major areas of industrial development in Spain. Between them, Greece, Spain and Portugal have provided an estimated one million migrants to France and Germany alone during this same period. In 1973 there were 860,000 Italians, mainly from the south, and 445,000 Irish working in other EEC countries. (5) It has been estimated that more than 60 million people left the rural areas of all European countries during the 30 years from 1945.

The economic recession has caused European governments to take a fresh look at the extent to which a degree of interdependence in the past has been translated into a heavy dependence of the poorer areas on the richer north. Not only do Greece, Portugal and Spain rely on northern employment for their 'surplus' manpower, they also gain considerably from remittance money in balancing at least in part their serious trade deficits. In 1977 Greece received the equivalent of 3.5% of its GNP in remittances from abroad (6); in the same year Portugal accepted transfers from abroad, mainly from migrants, totalling more than 1,000m dollars, nearly three times the total estimated income from tourism. (7) The possible loss of such employment opportunities abroad threatens the southern DRAs now, but the complex effects

of such temporary migration on DRAs require rigorous assessment; for example, many migrant workers will be returning with capital savings and experience which could never otherwise have been accumulated. The impact of this on local economies could be considerable.

ii Primary Production

Agriculture, forestry, fishing and tourism are major employers in DRAs. Agriculture, especially, is of greater importance to the social fabric and organisation, to employment and income, and to values and attitudes in the DRAs than elsewhere. Any attempt to support the social and economic development of such areas will have to view primary production as a key element. It will also have to be seen in close relationship with other aspects of rural society and the economy, as well as with the overall social and economic structures at national and European levels.

Role of agriculture

As an employer, agriculture occupies some 8m people in the present EEC, the majority of whom are farmers and their families; only a minority is employed on a wage basis.

Agriculture is a supplier of goods and services. The goods are the traditional end-products of farming. The service role is particularly marked where access from urban areas is easy, and includes the provision of tourist amenities and of facilities enabling access to the countryside. Some 7% of all tourist accommodation in Germany is provided by farmers, and it is estimated that income from tourism accruing to farmers in the UK is equivalent to 2% of the agricultural domestic product. (8) The most disadvantaged areas, especially in the south of Italy, Greece, Portugal and Spain have yet to benefit significantly from this phenomenon.

Agriculture is also a large consumer of goods and services. Most farm machinery and chemicals are produced in industrial centres and few agricultural services are organised from a rural base. Agriculture is an integral part of the national and European consumer economy, and the rural population has come to depend increasingly on services and supplies.

Agriculture and forestry are still the dominant form of land use in Europe and have a significant, even crucial, role in determining the ecological balance. Farmers, especially in the more fertile areas have resisted efforts to place controls on their practices. Growing urban scepticism about the ecological wisdom of intensive farming is often paralleled by a lack of appreciation that it has been essential to meet consumer demand for cheap food. Many farmers have been forced to respond to economic pressures or to accept considerably reduced incomes. Although extensive pollution control measures exist there are very few legal constraints on those who damage the soil, fundamentally alter the ecology by large scale land reorganisation or who change land use or employment structures.

Farmers in the DRAs have a special responsibility in this regard, not only because the land is often subjected to greater hydrological and climatic stress but also because farming is by far the major economic and social factor in such areas. If farmers do not accept the responsibility there is rarely anyone else in a position to do so.

Forestry and fishing

Forestry and fishing provide fewer jobs than agriculture, but they are still very important components of the rural economy in many areas. Forestry or fishing often provide small farmers with a second, supplementary occupation without which family incomes would be much lower. In Ireland, for example, it is estimated that some 25% of all forestry workers also farm; elsewhere, such as in the west of Scotland and in the Islands, fishing is very often a complementary occupation for many small farmers while in southern Italy whole communities live by fishing alone.

Forestry is to a certain extent in conflict with agriculture not only because it removes large areas of land from farming for 50 or more years, but also because in its modern forms of organisation it tends to employ fewer local people.

Until fairly recently, forestry has often been carried out on a very big scale, with tens of thousands of hectares being covered and public access made difficult. Whole communities have been moved to enable trees to come in. There has been much talk in northern European

countries about the need to achieve an integration between forestry and farming. Sweden and Finland are probably further advanced in this respect than other countries, with nearly a quarter of all forestry fully integrated with agriculture.

One principal advantage of an integrated approach is that it helps to spread employment throughout the year rather than to be concentrated in peak periods. Another is that if resident farmers are to undertake the planting, management and felling of forests, surpluses accrue and are more likely to be reinvested locally. This is very much less certain when the operations are carried out by the state or by non-resident financial institutions or investors seeking to rearrange their affairs advantageously, particularly in the UK where forestry receives substantial fiscal incentives. There is evidence from Finland that despite the gains made in achieving integration, it is breaking down because of the introduction of specialist foresters and sophisticated machinery. This is having serious consequences for local employment, as it has done elsewhere.

The cost and long maturation period of forests has meant that most reafforestation programmes are financed and controlled by governments with compulsory land purchase, or long leasing arrangements with land owners. Rapid inflation has increased the cost of planting further detracting from the willingness of farmers to contemplate introducing a long term investment like forestry, on any significant scale.

It can be argued that forestry production in Europe must be increased considerably in the coming decades. It is surprising, therefore, that there has been inadequate research into the forestry potential of the Mediterranean regions. The difficulties in these regions are extreme; the growing period in relatively arid zones is often more than twice that in more northerly regions and there is a real fire risk. Also there is a far greater need in the relatively heavily populated southern regions for employment promotion, and forestry does not, on its own, offer much in this direction. There are areas,however, where forestry could be developed on an integrated basis with agriculture.

The farm business

The farm business has a number of characteristics which set it apart from other small-scale enterprises. These characteristics have, indeed, been the principle factors in ensuring the farmer's right to protection from imports and to negotiate price and subsidy levels directly with government.

It has often been said that the majority of European farmers live poor, but die rich. This strange, but generally valid comment stems from the fact that the value of fixed capital involved in virtually any farm business is out of all proportion to the returns that can be made. Many farmers, even in DRAs, are wealthy on paper simply because land prices have increased dramatically during the last thirty years. In addition to such high and non-liquid capital assets the investment requirements of modern commercial farming are considerable. The cost of land drainage or irrigation, buildings and other fixed capital equipment, machinery and livestock means that a farm business has an extremely high level of capitalisation relative to the returns which can be obtained.

The farmer with fertile land in a favourable situation and with a good business sense may be able to adjust his product 'mix' so as to hedge his income from market fluctuations, and to ensure a cash-flow which is as even as possible throughout the year. Most farmers, and especially those in DRAs have no, or a very limited product choice. Their financial constraints are more severe and the credit facilities at their disposal are less diverse and less sophisticated. Farms in DRAs tend to be far less capital intensive than those in the more advantaged areas, and though as a result, are perhaps less exposed to the problem of debt-servicing than wealthier farmers, their incomes are more susceptible to relatively small fluctuations in commodity prices.

All farmers are exposed to the vagaries of the weather and the ever-present risks of disease; their economic viability depends on the natural advantages and disadvantages of terrain, position and climate. Farmers are more exposed than any other entrepreneur to unexpected, uncontrollable (and more than infrequent) disastrous weather phenomena. Modern technology has helped to ameliorate some of the worst risks, and insurance policies, which the more traditional farmer is loathe to take out (even if he is aware of them) can provide a buffer against absolute loss. So long as agriculture

is an enterprise carried out in the open air, crops (and therefore working capital) will always be at risk. Similarly, farmers are subject to the ravages of animal and plant diseases and pests which cannot always be cheaply controlled despite stringent precautions. Such precautions are less easy to ensure in DRAs where public services and technical assistance are usually less extensive or efficient than elsewhere.

A further characteristic which is perhaps so obvious that it is rarely remarked on, is that farming is a skilled occupation. Modern agriculture demands not only scientific and biological knowledge, it also requires managerial competence. The majority of farmers in Europe have received very little if any formal agricultural training having learned their skills from their parents or peers, supplemented by their own experience and the farming media. Successful farming in DRAs demands very high levels of skill but an even smaller proportion of farmers in such areas appear to have received any formal training; opportunities to receive it are considerably less than in the more favoured farming areas. (9)

Most farms are run without hired labour; they depend primarily on the labour of the owner or tenant, supplemented by that of his or her family. At times of need there is normally a considerable degree of informal cooperation between farmers, but the essence of family farming especially in the DRAs is one of labour and financial self-sufficiency. This has serious implications for policy-makers, especially when they consider the future of the DRAs where the risks are greater and the margins more extreme.

Many farmers have adjusted to changing economic and social fortunes by taking a second job rather than leave their farms altogether. As many as 40% of all European farmers have such second jobs, the majority maintaining their farms as sources of supplementary income. Part-time farming tends to be concentrated in DRAs where small, often non-viable holdings predominate. Few countries encourage specific investment in part-time farming although Germany provides aid to assist farmers in adjusting to dual occupation. They are encouraged to join cooperatives as a means of increasing the efficiency of agriculture. (10)

Most effort in promoting cooperatives as a means of increasing small farmers' market power has been devoted to organising marketing and the provision of services. Efforts to promote group production have been limited,

perhaps largely because it was believed to conflict with the strong sense of individualism held by farmers. Where efforts have been made, as in parts of the south of Italy, evidence is accumulating that, at least in the specific areas concerned, a production cooperative approach can have a profound impact on local employment and economic development. (11)

Constraints to agricultural development

It is now widely recognised that the impact of overall EEC farm policy has been to further widen the differential between the advantaged and disadvantaged areas. The underlying philosophy has tried to be selective in aiming at farmers with intermediate and non-viable enterprises. It is indisputable, however, that much of the money made available by the EEC and by national governments for price support (guidance and guarantee) as well as for structural purposes has ended up in the richer regions. This should not be particularly surprising since the main element has been price support for commodities such as grain and sugar which are produced principally in the more favoured farming areas. The general lack of support for DRA products and the difficulty of establishing overall policies which discriminate in favour of disadvantaged areas add to other factors which constrain agricultural development in DRAs.

From a socio-economic point of view, the low-input/low-output farm, which predominates especially, but not exclusively in the Mediterranean and upland regions, can be said to be an adaptation to the extremely difficult conditions under which it operates. This is the primary reason why it has proved so hard to achieve structural change in many areas. Farmers in such situations have the experience, knowledge and wisdom to recognise that implementation of structural policy could lead to the end of their occupancy of land as independent entrepreneurs. Although many have indeed left, they have often retained their ownership and the land has fallen into disuse.

Land tenure is a highly emotive, deeply cultural and political issue. For many farmers, especially in the more traditional areas, land ownership is an inherited trusteeship to be passed to future generations. Concepts of individual, private and exclusive ownership are unacceptable. This trusteeship is supported in many countries by laws which define the familial nature of

ownership and, indeed, of occupation and make it inconceivable for the farmer willingly to support farm amalgamation of the kind envisaged. This problem is by no means insoluble, but present policies, directed as they are toward economies of scale through individual ownership are, at best, irrelevant to such farmers. Even in areas which have been virtually abandoned, as in parts of the interiors of Greece and southern Italy, it is extremely difficult to persuade owners to part with their patrimony in the interests of agricultural development.

Less obvious, but equally important factors concern the economic and market distortions which influence the comparative disadvantage of many areas. The prevalence of commodity and price over structural policy in the CAP, and the distortions introduced by the mechanics of agro-monetary compensation have favoured northern and central European agricultural producers, particularly those in the richer farming areas, while those of the poorer Mediterranean regions or of other DRAs like the Highlands of Scotland have been neglected. CAP has so far failed to tackle the disadvantages or to help to secure the benefits of the few comparative advantages of the DRAs. The same forces operate at the national level; in Italy, for example, agricultural policies have favoured large scale agriculture and further decreased the viability of non-intensive, small-scale producers who predominate in the south. (12)

iii Rural Development

Many attempts to assist the less advantaged rural areas sought to create new job opportunities by attracting industry to them. Agricultural policy was pursued separately from this job creation approach.

As experience is gained of the complexity of the problems and the inadequacy of planning and assistance approaches, a consensus is emerging that the primary need is to identify problems, rather than simply geographical areas. A far more task-orientated approach is seen to be required taking into account both externally identified problems and the wishes and latent abilities of rural people themselves.

Changing attitudes

It is accepted that the energy crisis is permanent and may intensify. Production systems requiring high inputs of energy are becoming high-cost agriculture. Evidence indicates that micro-chip technology could ensure that present high unemployment levels will continue. It may therefore become economically and politically expedient to encourage a shift to more labour intensive methods of primary production. Such a change of emphasis and the need for at least a reduction in the rate of increase of energy consumption in agriculture would require quite different policies. Growing scepticism about the ecological wisdom of some modern farming practices, and a small but increasing demand for natural foods may also have an impact on future thinking about agricultural policy.

At the same time the opinion is gaining currency that the transfer of resources to subsidise incomes or to create artificial jobs in areas with declining or uncompetitive economies can bring about neither equity or development. It has been argued, for example, that the majority of the 30,000 government employees in the reafforestation programme in two of the poorest regions of southern Italy are uneconomically employed. In other areas large numbers of public service posts, financed by central government subsidies to regional and district authorities, are believed to contribute very little to the strengthening or regeneration of local economies. Such practices do undoubtedly maintain local unemployment at relatively low levels and ensure the continuation of basic public services, but why could not such funds be utilised in a more productive and socially satisfactory way?

There appears to be a universal crisis in centralised decision making and considerable public alienation from bureaucracy. This has been generated, perhaps, more by past failures than by any great desire on the part of the majority of people for more participatory forms of decision making. It is necessary to explore new objectives and the means of achieving them.

Constraints

The serious internal and external constraints which hinder social and economic regeneration in rural areas are formidable. Many are fixed physical constraints about which relatively little can be done but there are others

which, in theory at least,can be overcome. Often, however, government and academic philosophy make this difficult. Attempts to establish quantifiable and scientific criteria as the basis for identifying geographical areas requiring assistance and for developing policy stem from the centralist philosophy of government and the sectoralisation of technology and administration. Rigid adherence to economies of scale and cost-benefit analysis also inhibit action towards small communities. Such criteria must be viewed in context with far less quantifiable social factors and a consideration of the officially indefinable 'quality of life'. It is perfectly conceivable that British upland farmers with their different concept of 'viability' are recognising certain unquantifiable benefits from farming and country-living which apparently compensate for low incomes. Despite this few governments would suggest that national aims of equity be scrapped.

Identification from the outside of the issues facing any particular area or community is extremely difficult. The way in which socio-economic surveys are planned and carried out often tends to predetermine the results obtained and, therefore, the action to be prescribed. In one mountainous region of Greece a survey into the causes of youth migration in the early 1970s indicated the problem as lack of social and recreational amenities. As a resultthe government invested considerable resources in suitable facilities. Migration continued at an undiminished rate through the seventies. A follow-up survey in 1978 indicated that the cause of migration was a lack of jobs which matched young people's work and career aspirations.

Most, if not all, of the more seriously disadvantaged areas have experienced a long history of marginalisation and of dependence on distant or alien authorities. Such experiences have led to a lack of confidence in the possibility of resolving problems. Education is viewed as a passport to escape, reflecting feelings of hopelessness in local circumstances. They also reflect, however, a realistic appreciation that improvement in local situations often depends on factors which are beyond local control. Images of urbanism and modernism aggresively projected by the mass media act as a powerful pressure on rural young people to move to the towns even though living conditions there may be vastly inferior to those which they leave.

The well-to-do have moved from the towns to live or buy houses in the countryside, contributing another pressure on the young who can least afford to pay the high prices

thus created. Soaring land prices throughout Europe have made it more and more difficult for less viable farmers to enlarge their farms along the lines of government and EEC structural policy.

II DIAGNOSIS

Interest in the problems of the more disadvantaged rural areas has increased of late. This appears to stem from a combination of changed social attitudes and altered economic fortunes in Europe. Growing disenchantment with economic arguments based essentially on the continuous maximisation of consumption, together with disaffection from the vogue for central planning and large scale social and economic units are but two aspects of a complex situation.

The issues must, however, be looked at in a broader context. It is necessary to view the overall social and economic situation nationally, in the European Community and globally. The probable enlargement of the Community makes it essential to begin thinking in the context of the twelve. Strong and justified pressures for a New International Economic Order also make it imperative for the implications of Europe's relationships with the Third World to be taken into serious account. The issue is not simply one of comparative disadvantage within or between relatively rich countries. It is one of comparison between the northern, highly industrialised countries and the southern, less well developed economies.

The main underlying issue is the relationship between areas with different levels and stages of development. Industrialisation and urbanisation started very much later in the south than in the north. The development path taken by the northern countries, involving as it did the rapid and large scale expansion of the manufacturing and service sectors and the absorption of 'surplus' rural labour, is not an option available to the majority of southern countries. Wage levels have risen and the absorptive capacity of industry has decreased. Even if high levels of economic growth were possible it is unlikely that the patterns once achieved in northern regions could be emulated, even if such were desirable.

From this general, and somewhat pessimistic picture it is necessary to assert that in most regions there are quite distinct potentials for growth, but some of these are more easy to exploit than others, even given sufficient investment and other inputs. Elsewhere the problems are far more intractable. If rural areas are to absorb and retain more labour than they have been expected to do in the past then agriculture and other forms of primary production will have a key role to play. Increased marketable production from rural areas in general, and from the less advantaged areas in particular, will have to be achieved with an emphasis on the development of rural economy and society as a whole.

Thus a pluralistic approach with an emphasis on the agricultural base of rural communities is required. A flexibility in tackling problems will, however, be necessary since they are by no means amenable to a single rigid set of solutions even within the same country. The major external factors which limit development potential will have to be lifted and a degree of protection for certain areas, commodities or social groups will be essential if the rehabilitation of agriculture is to take place.

In some areas, where the potential for agricultural development is limited, greater attention will have to be paid to the generation of alternative forms of production and employment appropriate to the available resources.

i Integration

Such approaches require considerable changes in the ways in which problems are identified, viewed and tackled. The various roles of agriculture will have to be seen as integral aspects of the broader rural, national and international economy. At the local level, a range of productive activities will have to be planned as complementary and inter-related and as having social as well as economic value. Ways will have to be found to reconcile local, internally identified problems and aspirations with other, externally identified factors which also have a bearing on the situation.

It will have to be more clearly recognised that in many poor areas the main obstacles to increased production are beyond the control of the producer. The improvement of infrastructure, the supply of inputs, the relevance

of technology and machinery, the appropriateness of applied research and the dissemination of its results, as well as inadequate or exploitative marketing systems are all factors which can be corrected through comprehensive and integrated planning.

ii Political choices

There is a superficial choice between abandoning many DRAs or in making new investments to exploit their potentials. Such clear-cut options rarely exist in practical politics, but the intractibility of many rural problems and the growing cost of meeting them make clear-cut decisions necessary. No lasting solutions will be found without decisive action based on a realistic appreciation of present circumstances and of their relationship to the future.

Ironically a period of severe economic depression may be advantageous, in one sense at least. High structural unemployment makes alternative thinking about labour intensivity, for example more acceptable; with less money available, small scale and community based schemes, using local resources and motivated by indigenous imagination stand far more chance of getting off the ground, provided they can obtain the right kind of encouragement and support.

Europe does not have a free market economy in agricultural and other primary products. The essence of government intervention has been to limit and distort competition rather than to encourage it, to the detriment of the poorer areas. It is quite possible to discriminate in their favour by allowing their relative advantages to play a greater role.

If the need for more labour intensive economic activities is recognised, and if the full social costs of continuing rural decline and urban expansion are calculated then a strong case can be made for more determined political action and considerably increased government investment in many DRAs.

One of the difficulties in establishing development programmes for DRAs is the way in which the community at large views the land issue. Inappropriate, anachronistic and inefficient land use patterns, as well as the methods used to control them, require attention. Yet land ownership and control is a major political issue in all countries and one which governments have

always treated with caution.

Structural reform is necessary, but it is difficult to establish global policies. There is no universal optimum size of farm unit, and there is no 'best' tenurial or ownership pattern. Revised structural objectives, pursued on a Europe-wide scale, can be no more effectively achieved than were those expounded by past EEC Directives unless they explicitly respect the social, cultural and economic differences within the rural population. They will have to be evolved cautiously but there can be no doubt that governments will eventually be forced to greater direct intervention in land use.

The energy crisis has suddenly made governments show extraordinary interest in investing large sums in research into alternative energy sources. The crisis prevailing in much of rural Europe is in its way just as serious, and its solution may offer some contribution to resolving energy problems and unemployment. A reorientation of agricultural research to be more appropriate to the technical, social and economic situation of disadvantaged regions is necessary.

The emphasis in many present education and technical training programmes is to provide rural young people with the skills necessary to find work in the cities and abroad. Educational systems have helped to reinforce in the minds of Europeans the idea that agriculture and rural life are somehow inferior to industry and urban society. Demographic distortions created by migration have tended to confirm this image.

Education has also helped to confirm the view of many administrators and policy makers that the problems of disadvantaged areas, both urban and rural, can only be solved through outside intervention. Scientific analysis, the assembly of technical and investment 'packages' and the acquiescence of the target population in the measures ordained are the result.

The invariably rigid separation and lack of contact between different aspects of education and training means that educational systems are rarely able to create an impact even in situations of serious social and economic disadvantage.

Efforts must be directed to stimulating latent creative abilities of rural people. Given the correct support and information, they could themselves find solutions to many problems. Educational systems and institutional

structures require considerable adjustment in order to support this process. The policies which are adopted are important, but the means by which they are implemented will be critical to their effectiveness.

III POLICIES AND APPROACHES

i Principles for Action

Any effective action must be concerned with the causes as well as the effects of disadvantage, and respond to the new situation created by urban unemployment and the energy crisis. The following principles are not elaborated in detail, they require considerable further discussion and study. Although they do constitute a basis for a future development policy it is only realistic to recognise that they are, in some respects at least, contradictory to the conceptual framework of present policies and planning approaches. This framework must change if action is to be effective.

The emphasis of action taken in favour of DRAs must be to achieve permanent changes in income earning potential and social cohesion. It must be recognised, however, that distortions in the market place or in costs imposed on DRAs by other areas may justify certain more or less permanent support measures. These should be viewed as a means to an end, rather than as ends in themselves.

Agriculture has to be viewed in an integral way with other forms of rural economic activity. This may be the only way of escaping from the temptation of continuing perpetual agricultural subsidy in one guise or another. A communal approach over a broader socio-economic field is required if a rural development strategy for a particular area, community or settlement is to be established. How this may be achieved and the form which it will take will vary widely.

From an overall policy point of view, assistance should only be provided to communities or municipalities which present an integrated rural development plan conforming to specific economic, social and ecological criteria. Such criteria have, therefore, to be general and highly flexible allowing for sensitivity to people's aspirations.

It may, with justice, be argued that a community-based approach already exists. Much EEC and central government financial and development support is already channeled to local government institutions at the regional and municipal levels. Such funding usually remains under the control of central ministries, and the approaches being supported tend to result from a dialogue limited to administrators and professional experts. The directly concerned populations are invariably viewed as passive recipients of plans. A community based approach can provide a local organisational framework more able than individuals to interact with administrative and planning institutions.

Conflicts, over such matters as land use, are likely to arise and need to be faced squarely. Land is a common resource, not just a private affair, and effective community land policies are required. The feeling is growing that since the occupiers of rural land benefit considerably from tax-payers' money then tax-payers should have access to, and a degree of control over the use of such land. These feelings must be taken into account if the common interests of both the producer and the consumer are not to be seen as being in conflict.

Education is important in enabling rural people to organise and plan, as much as it is in ensuring that the urban majority understand the nature of rural problems and lend their support to solving them. Several European governments and the European Commission provide funds to pay part of the costs of public information and education programmes about the Third World. Additional funds are required to establish similar educational work about the issues affecting the disadvantaged rural areas of Europe. Education about the Third World which does not refer to the socio-economic problems of rural Europe can promote a belief that European development has worked and that failure lives elsewhere in the world, or that there is no relationship between the problems of European DRAs and those of the predominantly rural Third World countries.

The educational needs of people engaged in rural development action cannot be met by present provisions. There is a need for educational systems and institutional structures as a whole to function on a multi-sectoral basis. They must also ensure that educational adaptation corresponds to local circumstances rather than simply to national value systems which may have no positive role in helping people to develop their own resources.

ii The Rural Economy

It is brutally clear that the private sector has already invested in those places and activities in DRAs where profitable returns on capital may be obtained. If governments acted to remove some of the existing constraints to economic growth in DRAs it would be reasonable to expect private investors to move in from outside to exploit the opportunities thus created. Lack of internal capital and entrepreneurial experience mean that rural people are often not able to take advantage of such opportunities. The complexity of modern European economies makes it impossible to believe that rural community self-sufficiency can be achieved in isolation from urban and industrial economy. Rural community autarchy, even it it were an acceptable aim, is a Utopian dream. The issue however is less one of autarchy than of encouraging self-help and mutual support and providing mechanisms of help - financial, educational, technological - which recognise this aim. That many of the communities in question have historically been denied the opportunity to help themselves because of dependency relationships with other more dominant areas or with dominant groups in society or with the state, must also be recognised.

The nature of the backward and forward linkages in many external development and investment programmes make them inappropriate, on their own, as a means of tackling the problems of DRAs. Most of the benefits of such investment by urban based business or financial institutions have always tended to accrue to the more advantaged economic sectors.

A balance needs to be struck between providing a protected environment within which a more diversified rural economy may be promoted, and the need to relate this to national and international credit, marketing and investment institutions. Policies must be flexible, and allow for extensive experimentation in new forms of rural economic activity. In so far as is possible, such new activities should depend on local human and physical resources. Although sometimes quite large external investment will be required, this should be in a form which encourages local investment, capital formation and control.

The capital base of DRAs is relatively small. New activities to be promoted should therefore be ones requiring relatively small amounts of investment capital. They also need to be reasonably labour intensive and give a high level of added value which can be retained

by the production unit or community involved.

Economic activities

An increase in primary, and especially in agricultural production, will remain the basis of rural economic regeneration. The rate of expansion required to meet the twin goals of employment creation and retention on the one hand, and income improvement on the other, will depend on the commodity mix which is most suitable and on the level of technology which is used. In most disadvantaged areas the technical potential for increased agricultural production exists, provided external constraints can be lifted, appropriate structural changes can be made, and investment is available.

In some areas, such as in Scotland, increased production would be of existing commodities, such as sheep-meat, but produced from grass rather than from imported soya or petroleum derivatives. In another area, for example in the interior regions of Italy, where land is in short supply and where production patterns are not so severely restricted by climate and latitude, a more diversified farming pattern may be possible. A greater degree of regional self-sufficiency in many basic food-stuffs, especially milk and meat could be encouraged in order to avoid the mounting costs of transporting such commodities over long distances which is now common. Everywhere, however, farming would have to be seen in relation to other actual or potential economic activities which include tourism, crafts and small scale industry. There are many examples of 'niche' commodities produced in particular areas and often having a natural or commercial cachet. Examples include Corsican cheese, Harris Tweed and Irish country knitwear. They are highly vulnerable to external control and, more seriously for the producing areas, to substitution by similar but cheaper industrial copies.

Tourism is a vulnerable and controversial activity. It is particularly susceptible to external control leading to dependence rather than internal growth. It is also highly seasonal. 'Democratic' tourism involving local people, individually or through group action in providing caravan sites, bed and breakfast facilities and various forms of farm and countryside tourism has more potential from a rural development point of view than mass tourism organised by large, urban based companies. Seasonality makes tourism ideal as a complementary activity to low-output farming. To facilitate

democratic tourism it is essential for governments and regional authorities to collaborate with local people in ensuring that the services and infrastructure, by way of roads, electrification, water supply and especially promotional assistance are provided. The energy crisis may well mean that governments and the EEC will have to take a fresh look at the provision of public transport as a means of developing democratic tourism.

Another facet of the problem of rural services, which has been given considerable publicity in England, is the demise of the village retail store due to economies of scale and retailing and stringent food hygiene regulations. There are growing demands for the preservation of this essential element of rural life along with basic public services. The high per capita costs of ensuring these services, and the provision of subsidies from central government may be easier to justify where there is a closer relationship between farming and other activities.

Craft industries have already gained new significance in many rural areas. The range of articles produced on the home and export markets has grown considerably in recent years. From a rural development point of view it is preferable that such industries have a family or community labour base and that the initiative for their establishmentcomes principally from the community. Planners have often tended to oppose such industrial activities on farms and in smaller villages and have thereby obstructed the achievement of an integrated approach to rural development.

Craft or small-scale industries should as far as possible exploit local materials and have a high value added that can be retained by the producer. A great deal can be done by government to help and encourage such development. Craftpoint, established by the Highlands and Islands Development Board (HIDB), provides training and advice to craftsmen, and helps them with design and marketing problems. There is no reason why such an approach should not be tried elsewhere.

Economic structures

Whilst it is necessary to promote individual creativity and development, it is extremely important to encourage group and cooperative action in rural development programmes. Such action does not determine *what* economic

activities should be undertaken, but it does provide a framework for discovering and solving problems common to the community as a whole.

There are a number of examples of effective group and cooperative production organisations in rural Europe, but they are not well known, and are often isolated experiments whose replication has not been attempted or has failed. Where production cooperatives have been successfully established, as in the south of Italy, Greece, Ireland and the Western Islands of Scotland, for example, there is no uniform model, they all differ and depend for their character on local social, political and historical factors. The people of the Scottish island of Lewis, for example, have a shared history of adversity and isolation, a highly egalitarian society and a homogeneous culture which has made cooperation possible. Other less homogeneous areas, or those in which issues such as land tenure cut across community solidarity, appear less fruitful seed-beds for coooperative development.

Group approaches, such as those promoted in southern Italy, require those involved to change some of their most fundamental beliefs. For this reason production cooperatives must be encouraged to grow from small beginnings over a period of time with sensitive support.

So far as agriculture is concerned, the production group enables farmers to follow the principles of land consolidation and farm modernisation without the otherwise inevitable forcible retirement or migration. It is cheaper in that it costs less to give one grant to a large unit than ten grants to small units.

Cooperative and other forms of group action enlarge the production base of rural people and help to ensure the viability of their internal economy. Intermediate measures of support through loans and grants will be necessary in order to achieve viability, but perpetual subsidies are as far as possible to be avoided.

The recent development of cooperatives in Greece has been seriously hindered by a high degree of central control; there may be a danger that similar problems will arise in Italy. Even though the cooperative production approach is dissimilar from orthodox business methods, a cooperative must have the same entrepreneurial freedom as an orthodox business enterprise.

Part-time farming related to other income earning

activities is concentrated in the DRAs. Its importance and future potential should not be ignored by governments in their agricultural planning. If populations are to remain in the disadvantaged areas, and if the economy is to be diversified then the relationship betweenpart-time farming and other complementary economic activities must be recognised in policy and fiscal terms. The needs for cheap and convenient transport to the nearest town for the 'diversified employment family', for example,must be taken into account.

iii Education

It is hardly surprising that present educational systems contribute little to resolving the problems of DRAs. They are organised to serve the mainstream social, political and economic development of European society. There is, therefore,a need to influence the structure, content and methodology of education, not only in the DRAs but also in the community as a whole in order to achieve a better understanding of, and regard for,rural problems and potential.

A greater awareness of biological, social and economic issues in the context of formal education is required. At the higher levels of education scientists, economists and others who may play a future role in policy making, research and administration must be helped to understand the problems of disadvantaged areas in relation to society and the economy as a whole.

At the community level new skills will be required and a greater awareness of local circumstances generated. Many old attitudes act as constraints to improvement and must change. Even before considering individual development projects or the potential of individual enterprises, attention must be paid to the pre-conditions for survival and growth of the area and population concerned. Learning about a community and understanding its social, cultural and economic potential is an essential pre-condition.

Piecemeal approaches to rural development are as inappropriate as is the encouragement of people in the belief that they can have similar services, income levels and amenities to those existing in other areas when policy and local circumstances will never in practice be able to provide them.

The field worker and the educationist must ensure that the social and economic environment of the group or community forms the basis for the educational process. They must also persuade local officials that they, too, need to be involved - the most difficult task for many field workers is the re-education of their own organisations as the need for institutional change becomes evident from practical experience.

Some aspects of the present situation such as urban unemployment and the evolution of communication and educational technology are important because they may lead to changes in educational systems which would coincidentally lead to changes in development. For example, the past trend towards centralisation of educational facilities may in future prove to be more expensive than the use of new methods of distance learning and of aiming education at smaller local units. The need to assist people to be economically active where they live may make it expedient to encourage educational support systems linked with other services at the local level.

Formal education

There are a number of serious gaps betweenthe educational needs of rural children and the existing provisions of formal educational systems. The content of curricula is often inadequate. The tendency in many rural areas for education to be organised centrally, removing children progressively from their home environment as they become older, may have economic justification, but reinforce childrens' alienation from rural life.

Effective educational action in the disadvantaged areas may well depend on a fundamental questioning of the assumption that a high degree of uniformity is required throughout educational systems in order to ensure equality of opportunity for all children. It may also prove necessary to confound the belief that the local community and environment cannot provide a suitable learning medium. Educationists must modify or supplement teacher training courses so as to cater for those who will work in rural schools. At present teacher training is urban orientated. The few experiences of community education, linking formal with non-formal methods such as the bi-lingual education in Scotland, have only begun to demonstrate the validity of a community orientated approach to learning. Such experiences are too few and far between, and in too early a stage of development to demonstrate their effectiveness.

Any change in formal education is likely to be a slow process of adaptation to changing circumstances, rather than a rapid shift of course.

Recognising the constraints, it is still important for institutions involved in training personnel who will have an educational role in rural areas to emphasise the potential which the rural environment has in educational terms and to understand the social and cultural characteristics of such an environment. It is all too common for teachers to feel so insecure in taking a class into the countryside or on to a farm that they prefer to avoid such excursions.

There must be a strong emphasis on in-service support for rural educators who are often isolated physically and professionally. Cooperation with other specialised agencies, such as agricultural extension and advisory services must be encouraged. Unfortunately, at the present time, there appears to be a marked lack of systematic attempts to create a focus on community and rural development within formal education. Such an integrated approach, in which education encompasses more than schooling, is essential if educators are to play a positive role in rural development.

Information, advisory and specialist services

In disadvantaged areas where efforts are being made to bring about improvements in employment opportunities and in family incomes, the advisory services have a very special educational function. There are a number of such intensive educational approaches, for example work in southern Italy in stimulating rural production cooperatives, from which it is possible to derive a number of conclusions.

Where an educational approach is to be taken by all the various specialist bodies, in agriculture, health, social welfare, housing and so on, a major training commitment is required for all staff. This is essential to bridge sectoral barriers, to ensure cohesive and effective group work in obtaining reliable analyses of local circumstances, and in utilising local resources to the full.

The idea of multi-disciplinary group work in such situations is not new; but it is surprising how rarely it has been used. Endemic professional and institutional sectoralisation is the primary reason for this.

Certainly, in so far as the problems and needs of the disadvantaged areas are concerned, a more task orientated aproach is required if measures are to be successful.

A special role is being played by a number of voluntary organisations, especially in the northern European countries. Bodies such as farmers', young farmers' and womens' organisations are playing an important and innovatory role.

The mass media

The potential role of the mass media must be fully taken into account when planning new educational approaches. It is essential, however, to select the correct medium for a specific situation; sophisticated TV productions with a detailed follow-up, of the kind provided in the U.K. by the Open University, serve a quite different purpose from small-scale, local radio networks. These latter services must, to be effective, use local languages and dialects and have a high local-interest content. It should be emphasised that the use of the mass media for educational purposes is not a replacement for, it is a complement to face to face discussion and learning.

iv Institutions

Most national institutional structures have invariably been designed to meet the needs of the majority of the population and are generally urban based and biased. Rural institutions and local government in rural areas often tend to be dominated by a powerful and unrepresentative minority which represents its own interests rather than those of the majority. In some areas this powerful minority may be identified as being the local administration.

Whilst the political influence of rural areas has declined relatively, the farming community remains a disproportionately strong pressure group in most countries. The major weight of its pressure, however, seldom concerns the interests of underprivileged groups in disadvantaged areas. The larger and richer farmers often overlook the problems of their weaker colleagues and evolve policies which do little, if anything to help to resolve them but, which are, none the less, promoted as being in the national interest.

Legal and administrative institutions, paradoxically, often protect and promote the proliferation of ownership,

absenteeism and the fragmentation of land common to the southern European regions.

One of the biggest obstacles to change is the unrepresentivity of many national and regional institutions and, in the case of many rural areas, the dominance of land ownership as a factor of political power. The centralisation of political organisations means that the function of power and patronage is essentially vertical, running from the local, through the regional to the national level; there is little need for a strong element of local community participation in order to keep political machines functioning.

Institutions organised nationally and regionally along sectoral lines hinder the establishment of more appropriate institutions in rural areas. Not only does sectoralisation make it difficult for planners and administrators to gain an overall view, it also means that local institutions have to adopt a similar structure in order to deal adequately with the central bureaucracy.

Another problem hindering the establishment of a more integrated institutional approach in rural areas is that different government departments and agencies have overlapping responsibilities and geographic boundaries. These have been established in the interests of the internal efficiency of each agency but often do not reflect settlement or land use patterns or real cultural regions.

A particular problem faces the 'young' democracies of southern Europe which have recently begun the slow process of institution building. This is made doubly difficult where there is a concurrent struggle for power among vested interest groups and individuals.

Supra-national institutions can play only a very limited role in assisting disadvantaged areas if national governments have not established suitable domestic structures and procedures. If institutions like the EEC are to play an effective part in rural development - as is clearly desirable - they must have a highly flexible yet integrated approach to the diverse problems that exist. This suggests substantial modification to past practices which seem to have involved fairly rigid directives or administratively complex individual project schemes. Moreover, the thorny question of additionality will have to be solved. At present, for example, Regional Fund money accruing to projects in Britain is collected by the UK Treasury and not by the region promoting the project.

If the European Assembly and other such bodies provide a wider forum in which to raise difficult questions then they could perform an important task as an alternate channel of communication for the people of DRAs.

Institutions for change

Rural development demands institutional pluralism and democratic participation. The vertical institutions of administration, control and planning need to be flexible and efficient, and adequate horizontal linkages able to exploit the resources and services of the vertical system are essential. Such linkages may, in this context, be informal social community organisations or the more formal social forces provided by the church or traditional groupings. Specialised bodies, such as regional development agencies are also extremely important.

Informal social organisation in many rural areas is weak and difficult to stimulate, especially where major depopulation has taken place. This may be due to demographic distortion, low educational levels or to the impact of income subsidisation measures adopted by governments. Local class conflict sometimes makes it difficult for communities to recognise the need for solidarity in dealing with external factors.

Intermediate institutions

Institutions established outside the normal administrative structures having broad responsibilities for regional or area development provide at least a theoretical framework able to ensure a degree of coordination between sectoral government agencies. Within them vertical and horizontal linkages may be established. They help to overcome the inherent problems of sectoralisation and to promote a more integrated development strategy.

The HIDB and the Cassa per il Mezzogiorno are both examples of intermediate institutions set up with intersectoral mandates to assist disadvantaged areas. In their early years both agencies tended to concentrate on trying to boost employment opportunities by encouraging industries to move into their areas. Slowly, however, their potential role in promoting agriculture and other indigenous activities has gained greater importance. The Cassa is now tackling the problem of the inland,

mountainous areas applying an integrated approach in collaborating with local communities through the regional authorities.

In France, the Compagnie d'Aménagement du Bas-Rhone Languedoc is a good example of an institution which, starting with primary responsibilities in the promotion of irrigation, has moved to foster marketing cooperatives and from these to a broader community approach.

Existing intermediate agencies differ considerably, responding to quite different circumstances. Any new institutions which may be established will, no doubt, be unique to particular situations and objectives. There is however, no justification in making their establishment an essentialpre-condition for initiating rural development programmes. They should only be established when it is clear that they can function effectively in a given situation.

However, despite the costs involved, a proliferation of institutions offering differing conceptual and functional approaches is necessary if the full creativity of rural people is to be liberated. Institutional tension which arises in such situations can be a positive element for change.

v Postscript

Although only a small minority of Europeans live in disadvantaged rural areas the land which they occupy constitutes as much as half of the total surface area of western Europe. Some action has been taken in most countries to support the survival at least of the more important communities in such areas. Measures taken by individual governments have often been limited in scope, have been poorly funded and afforded relatively low priority in national affairs. Inter-governmental action, recognising the inter-relationships and interdependence between the richer and poorer countries in Europe have been severely hampered by a lack of willingness to surrender national sovereignty and self-interest.

Changing economic circumstances and social aspirations have led to increased interest in rural life and in the particular problems facing rural people. The full potential of DRAs has, however, hardly yet been recognised. The causes of marginalisation both in Europe and the Third

World, the nature of the actions necessary to overcome it and the implications for industrial society in doing so are as yet poorly understood. There are no easy answers, but unless they can be found Europeans run the very real risk of seriously damaging one of the few remaining natural resources available to them. The challenge is not just to help to preserve living communities today, but also to preserve a living countryside for the benefit of the future community.

TABLE 1 Employment in selected countries

	total population (mid-1976) '000s	total civilians employed (1976) '000s	% total employed in agriculture fishing and forestry (1976)
Belgium	9,818	3,718	3.4
Denmark	5,073	2,392	9.3
France	52,921	20,870	10.8
Germany(FR)	61,513	24,556	7.1
Greece	9,165	3,230	34.3
Ireland	3,162	1,021	23.8
Italy	56,157	18,930	15.5
Netherlands	13,770	4,542	6.5
Portugal	9,664	3,088	27.1
Spain	35,970	12,535	21.5
Sweden	8,219	4,088	6.2
United Kingdom	56,001	24,425	2.7
Yugoslavia	21,560	8,887	47.3

Source: OECD (1978) Economic Surveys; Basic Statistics, International Comparisons

TABLE 2 Farm size and land distribution

		area of farm in hectares					total number of farms '000s
		1-5	5-10	10-20	20-50	+50	(1975)
Belgium (a)	No.	29.9	22.2	27.0	17.8	3.2	105.6
(1975) (b)	Area.	5.6	11.7	27.8	37.5	17.4	
Denmark	No.	11.9	19.3	28.3	32.7	7.8	129.8
(1975)	Area.	1.5	6.2	18.1	44.0	30.2	
France	No.	20.0	15.2	23.3	29.8	11.7	1,225.0
(1975)	Area	2.3	4.5	13.5	37.9	41.8	
Germany(FR)	No.	34.5	19.8	23.4	19.5	2.9	904.7
(1975)	Area.	6.4	10.4	24.7	41.7	16.7	
Greece	No.	73.3	20.3	5.3	1.1	0.1	810.8
(1971)	Area.	43.0	31.5	15.9	7.0	2.6	
Ireland	No.	20.5	21.1	30.5	22.3	5.6	266.9
(1970)	Area.	3.4	8.9	24.4	37.7	25.5	
Italy	No.	68.4	17.8	8.4	3.7	1.7	2,173.5
(1970)	Area.	21.7	16.3	15.0	14.4	32.6	
Netherlands	No.	24.9	21.3	30.6	20.9	2.2	143.8
(1975)	Area.	4.6	10.9	30.4	41.8	12.3	
Portugal	No.	63.3	..	30.9 ..	3.6	1.9	495.0
(1968)	Area.	12.7	..	24.4 ..	10.4	52.5	
Spain	No.	50.5	20.0	14.0	9.4	6.2	1,939.1
(1972)	Area.	5.3	6.0	8.2	12.1	68.4	
Sweden (c)	No.	19.5	25.5	24.6	22.6	7.8	152.0
(1972)	Area.	3.5	9.3	17.5	34.0	35.7	
United Kingdom	No.	14.5	12.5	15.8	26.7	30.5	273.3
(1975)	Area.	0.7	1.4	3.6	13.5	80.8	

(a) %age of total number of farms
(b) %age of total utilised agricultural area
(c) excludes farms smaller than 2 hectares

Sources: EEC (1976) Agricultural Situation, OECD Agricultural Policy Reports

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